

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING


FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER CWU 4046-32		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT NATURAL BUTTES		
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO				5. UNIT or COMMUNITIZATION AGREEMENT NAME CHAPITA WELLS		
6. NAME OF OPERATOR EOG Resources, Inc.				7. OPERATOR PHONE 435 781-9111		
8. ADDRESS OF OPERATOR 1060 East Highway 40, Vernal, UT, 84078				9. OPERATOR E-MAIL kaylene_gardner@eogresources.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML3355		11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2192 FSL 2061 FEL	NWSE	32	9.0 S	23.0 E	S
Top of Uppermost Producing Zone	2192 FSL 2061 FEL	NWSE	32	9.0 S	23.0 E	S
At Total Depth	2192 FSL 2061 FEL	NWSE	32	9.0 S	23.0 E	S
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 2061		23. NUMBER OF ACRES IN DRILLING UNIT 640		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1120		26. PROPOSED DEPTH MD: 6590 TVD: 6590		
27. ELEVATION - GROUND LEVEL 5187		28. BOND NUMBER 6196017		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-225		

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP
NAME Kaylene Gardner	TITLE Regulatory Administrator
SIGNATURE	DATE 09/04/2009
PHONE 435 781-9111	EMAIL kaylene_gardner@eogresources.com
API NUMBER ASSIGNED 43047507260000	APPROVAL  Permit Manager

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	8990		
Pipe	Grade	Length	Weight			
	Grade N-80 LT&C	6590	11.6			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	2300		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	2300	36.0			

T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

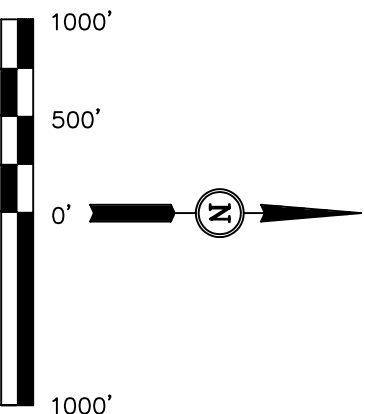
Well location, CWU #4046-32, located as shown in the NW 1/4 SE 1/4 of Section 32, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE DRAWING WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
KAY ROBERTSON
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

86 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

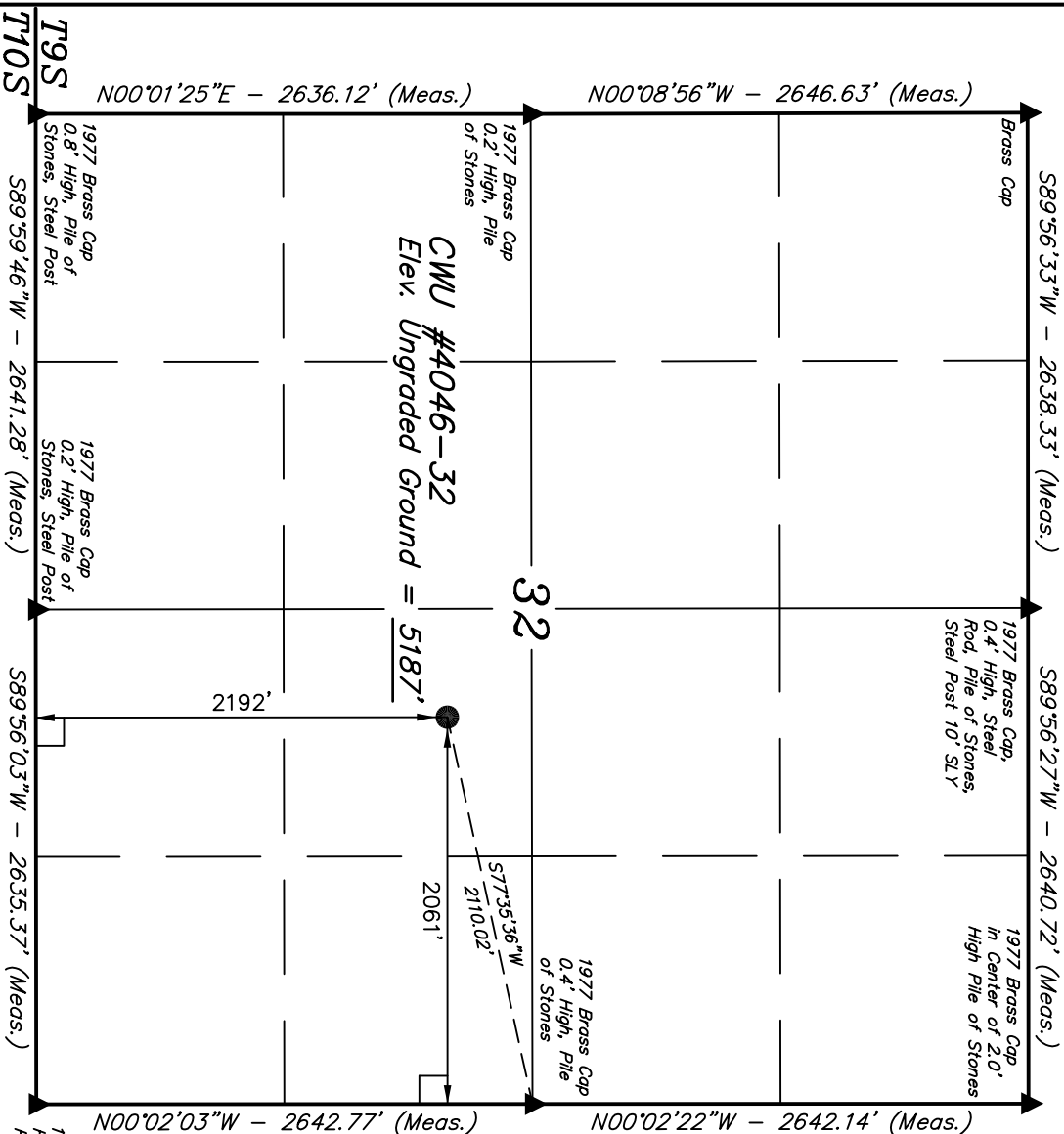
SCALE	1" = 1000'	DATE SURVEYED:	DATE DRAWN:
PARTY	C.R. A.K. E.M.	REFERENCES	G.L.O. PLAT
WEATHER	COOL	FILE	EOG RESOURCES, INC.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.



EIGHT POINT PLAN

CHAPITA WELLS UNIT 4046-32
NW/SE, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,442		Shale	
Birdsnest Zone	1,544		Dolomite	
Mahogany Oil Shale Bed	2,034		Shale	
Wasatch	4,292	Primary	Sandstone	Gas
Chapita Wells	4,848	Primary	Sandstone	Gas
Buck Canyon	5,541	Primary	Sandstone	Gas
North Horn	6,116	Primary	Sandstone	Gas
KMV Price River	6,385		Sandstone	
TD	6,590			

Estimated TD: 6,590' or 200'± below TD

Anticipated BHP: 3,598 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	26"	0 – 60'	16"	65.0#	H-40	STC	670 PSI	1640 Psi	736#
Surface	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 4046-32
NW/SE, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary objective. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 4046-32
NW/SE, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

EIGHT POINT PLAN

CHAPITA WELLS UNIT 4046-32
NW/SE, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail: 207 sks** Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead: 110 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail: 480 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 4046-32
NW/SE, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

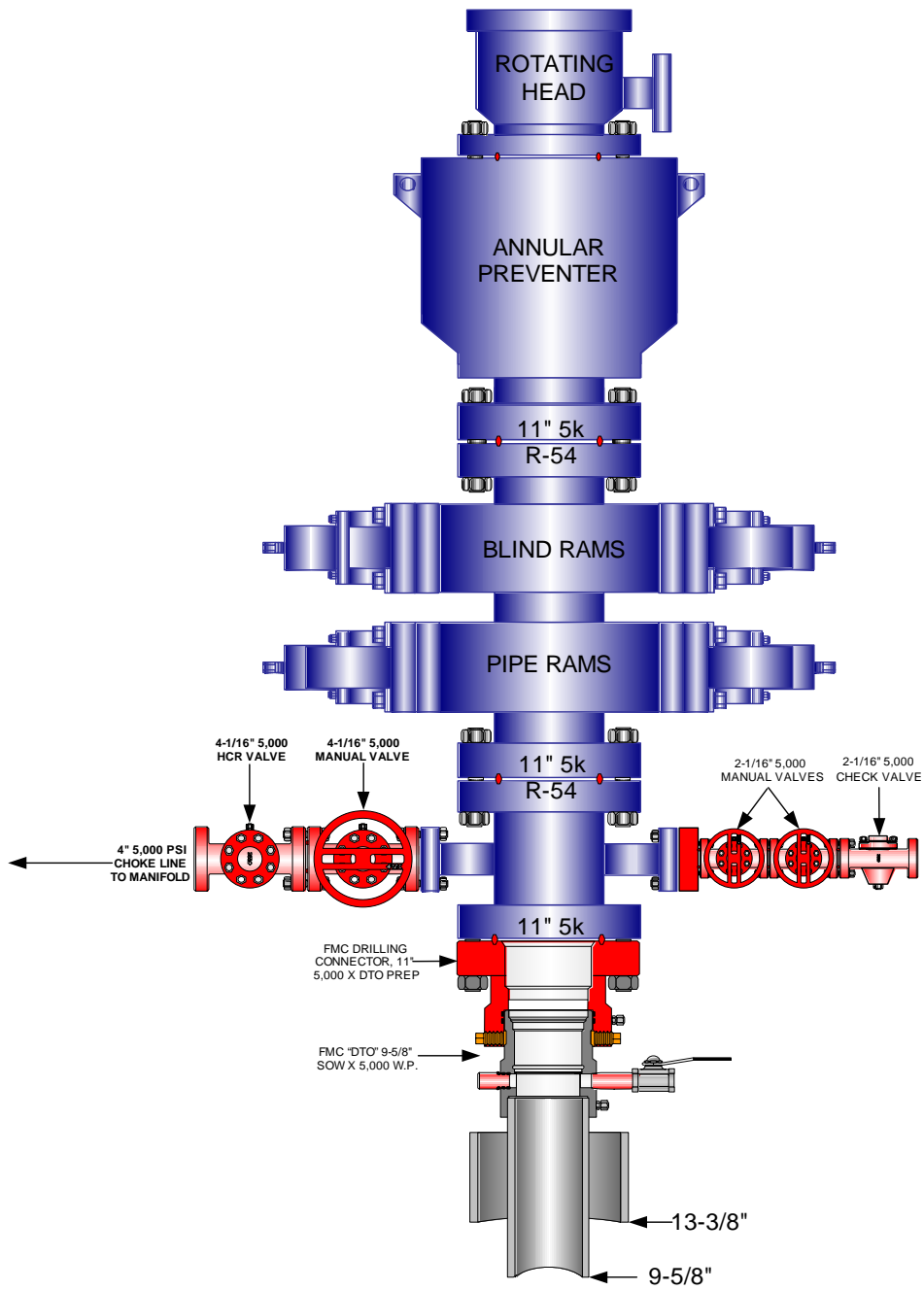
13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

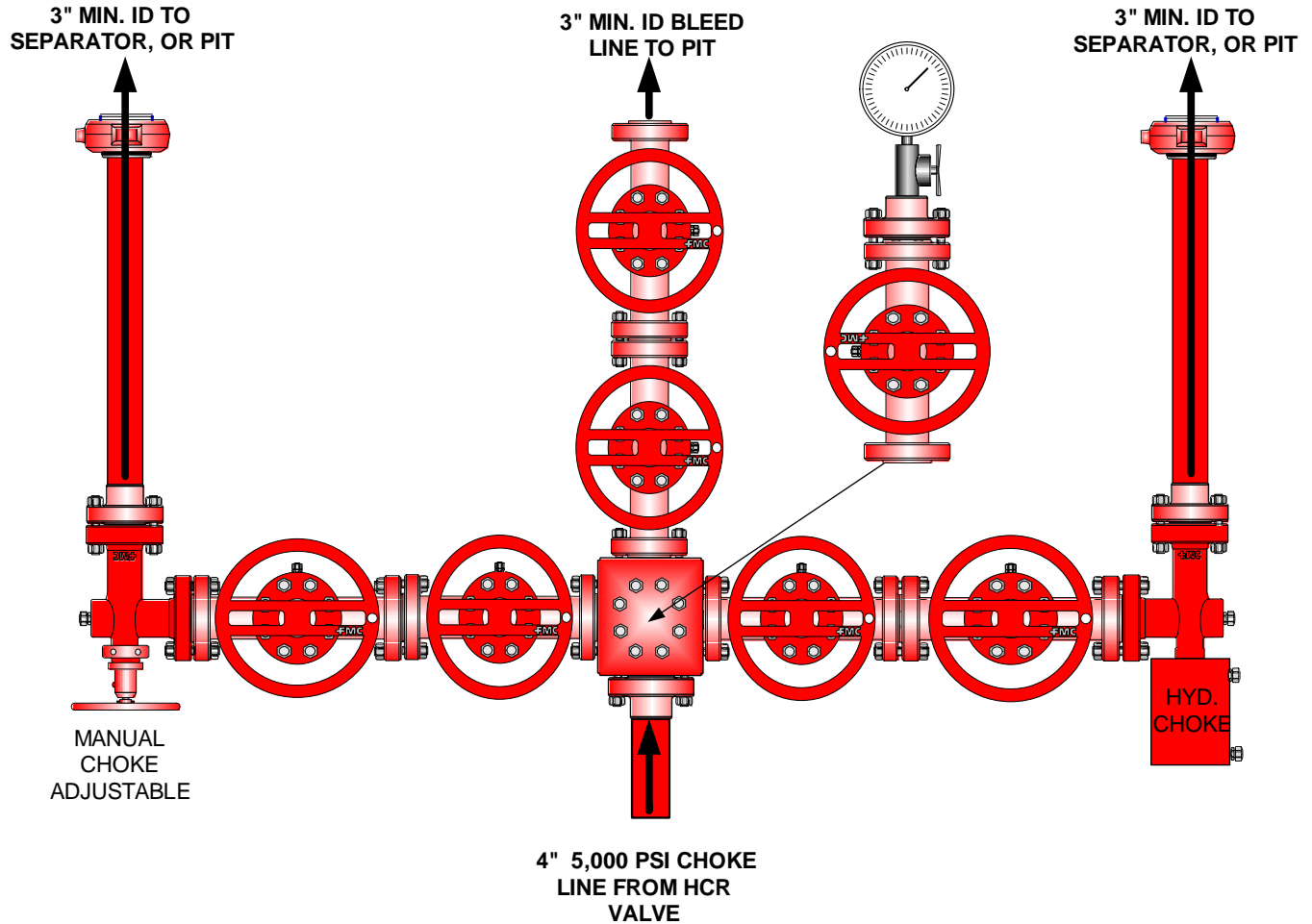
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***Chapita Wells Unit 4046-32
NWSE, Section 32, T9S, R23E
Uintah County, Utah***

SURFACE USE PLAN

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 54.7 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

No new access road will be required. The existing road for Chapita Wells Unit 956-32 will be used to access the proposed well.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning

road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

No off pad pipeline will be required. The pipeline will tie-in to the twin well Chapita Wells Unit 956-32.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined and dried on location. After drilling cuttings will be spread out on location.
 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation Ponds, 1, 2, 3, 4, 5, and/or 6, Coyote Ponds 1, 2, 3, and/or 4, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the closed loop system will be avoided by flaring them off in the flare pit at the time of recovery.

A closed loop system will be used during all drilling and completion operations.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold

planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

A closed loop system will be used during all drilling and completion operations. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

Access to the well pad will be from the west.

FENCING REQUIREMENTS:

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

The stockpiled topsoil will then be spread over the area not required for production and seeded with the prescribed seed mixture for this location.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

State of Utah

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied, as needed, to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants MOAC report # 06-620 on February 7, 2007. A paleontology survey was conducted and submitted by Intermountain Paleo IPC report # 09-89 on June 11, 2009.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner
Regulatory Administrator
EOG Resources, Inc.
1060 East Highway 40
Vernal, Utah 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 4046-32 Well, located in the NWSE, of Section 32, T9S, R23E, Uintah County, Utah; State land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

September 4, 2009
Date

Kaylene R. Gardner, Regulatory Administrator

EOG RESOURCES, INC.

CWU #4046-32

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R23E, S.L.B.&M.

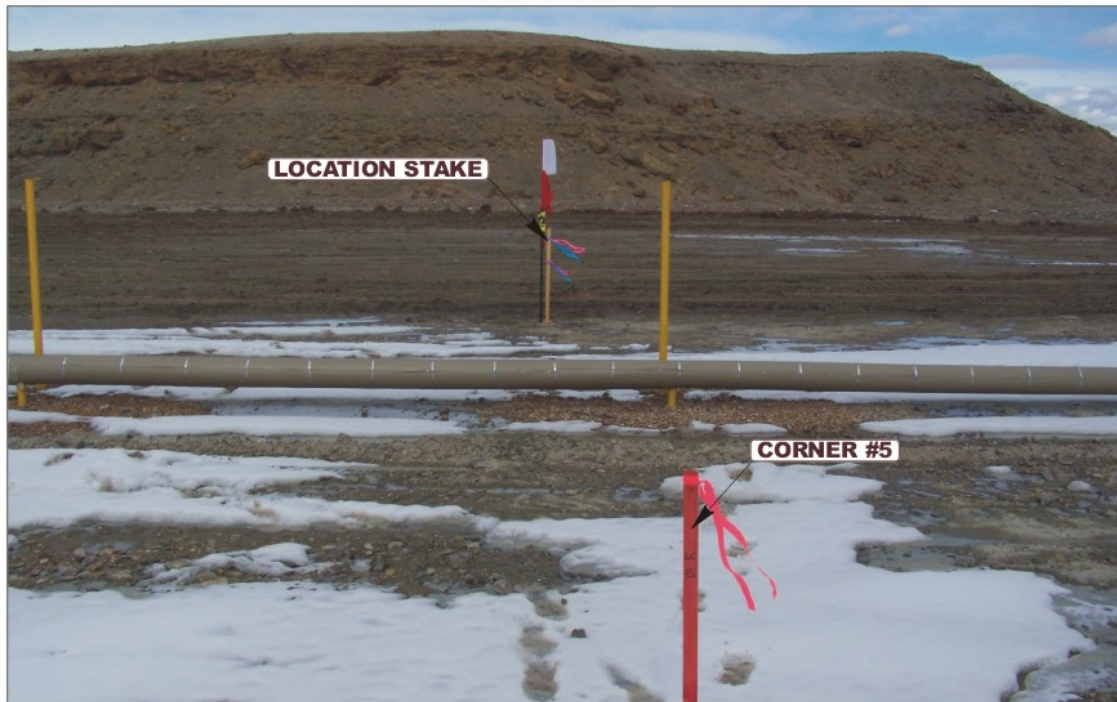


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS

02 23 09
MONTH DAY YEAR

PHOTO

TAKEN BY: C.R.

DRAWN BY: J.H.

REVISED: 00-00-00

T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

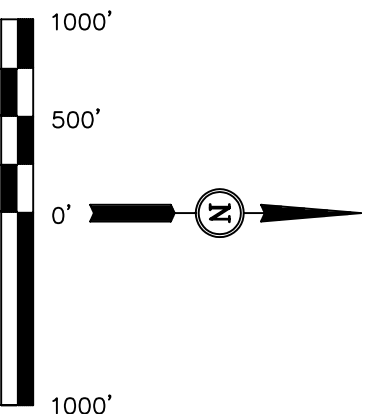
Well location, CWU #4046-32, located as shown in the NW 1/4 SE 1/4 of Section 32, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE DRAWING WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
KAY
STATE OF UTAH
161319

UINTAH ENGINEERING & LAND SURVEYING

86 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

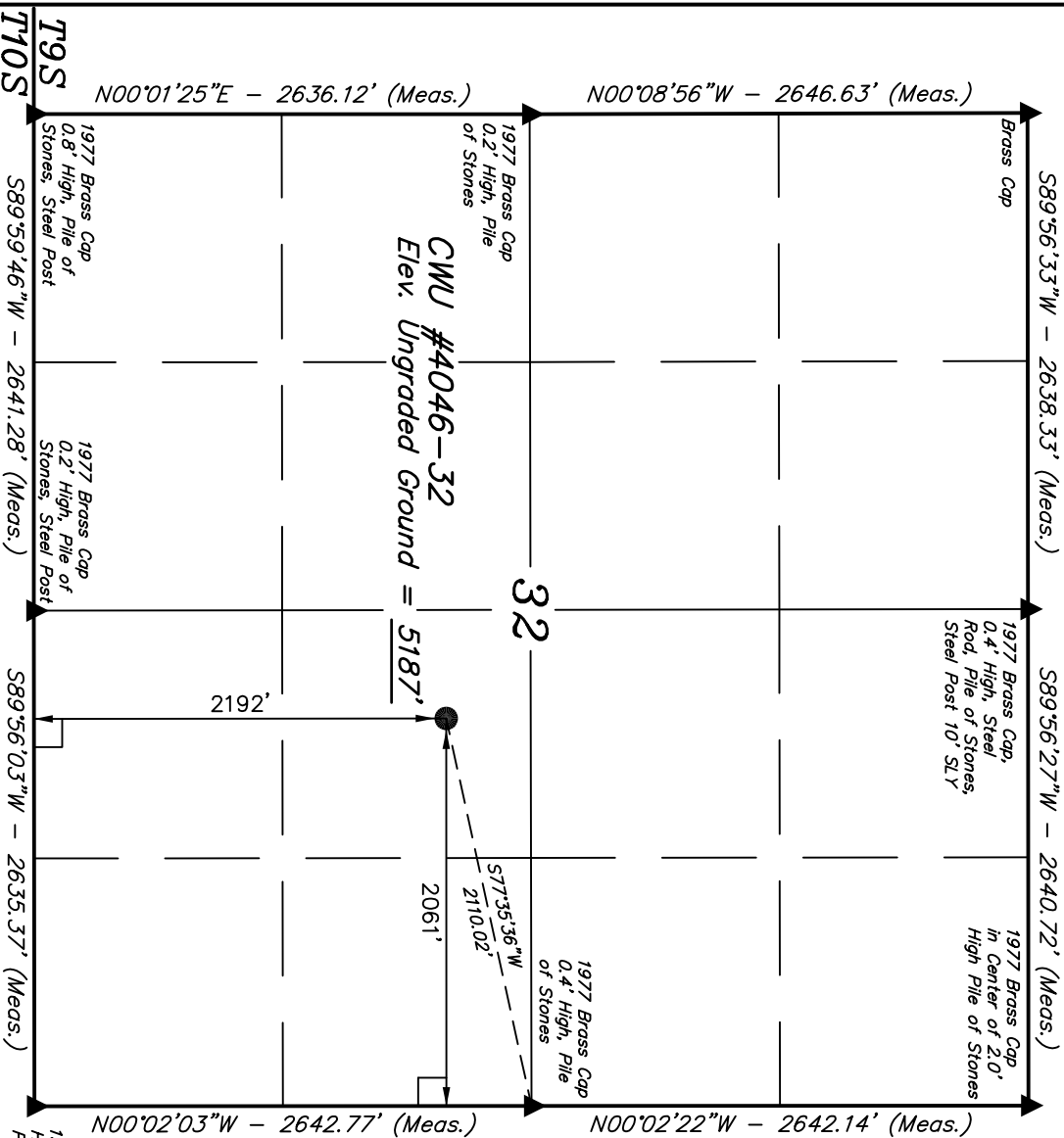
SCALE	1" = 1000'	DATE SURVEYED:	DATE DRAWN:
PARTY	C.R. A.K. E.M.	REFERENCES	G.L.O. PLAT
WEATHER	COOL	FILE	EOG RESOURCES, INC.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

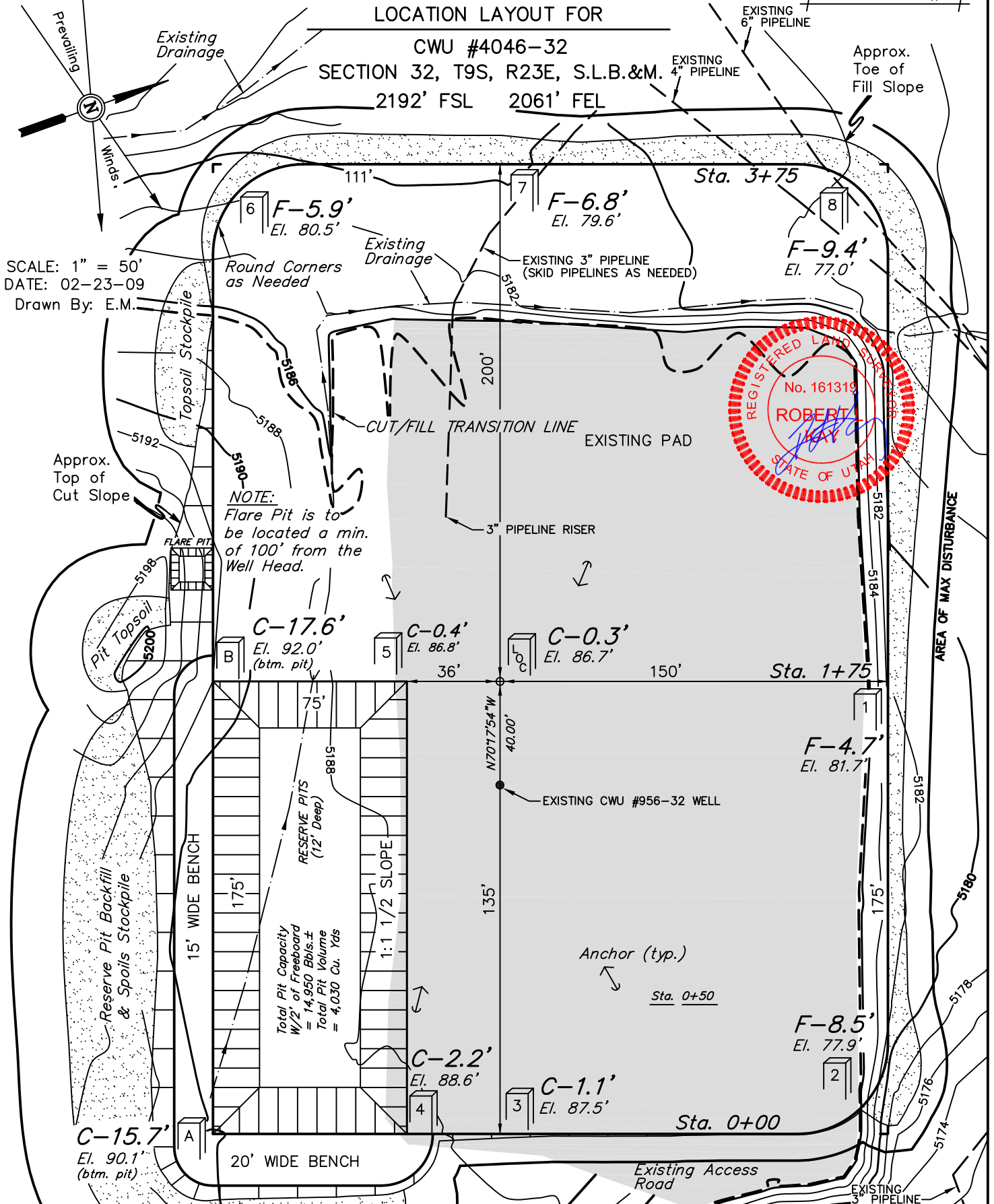


1977 Brass Cap 1.3' High, Red Steel Post, Pile of Stones

EOG RESOURCES, INC.

LOCATION LAYOUT FOR CWU #4046-32 SECTION 32, T9S, R23E, S.L.B.&M. 2192' FSL 2061' FEL

FIGURE #1



Elev. Ungraded Ground at Location Stake = 5186.7'
Elev. Graded Ground at Location Stake = 5186.4'

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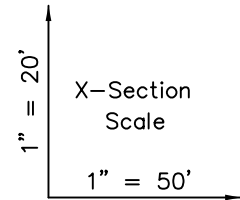
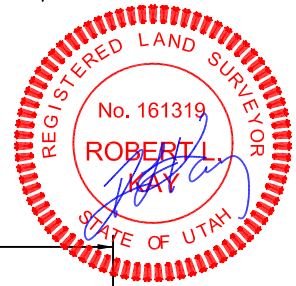
TYPICAL CROSS SECTIONS FOR

CWU #4046-32

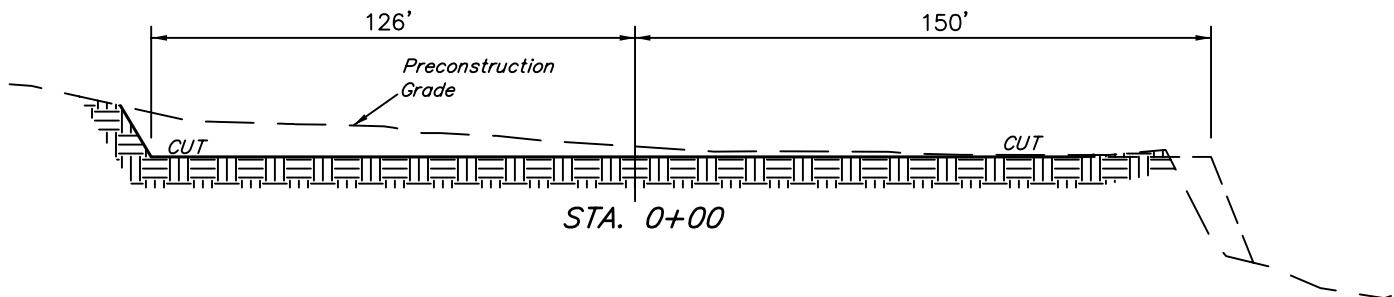
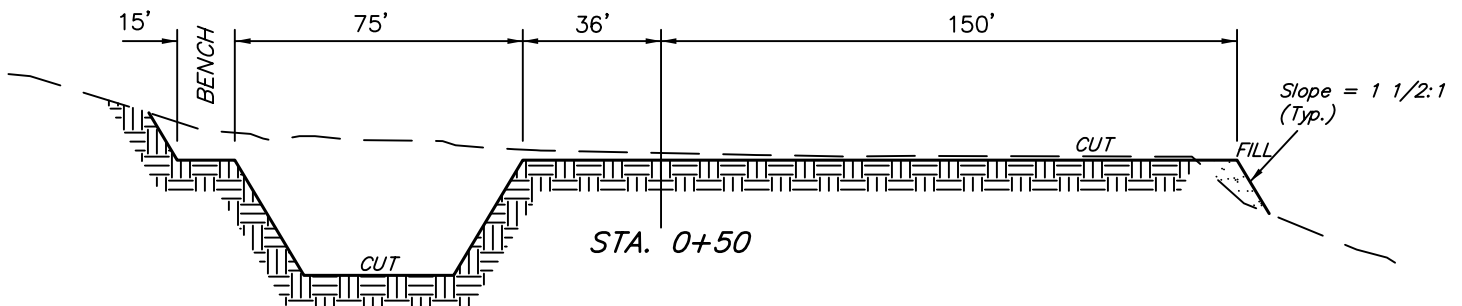
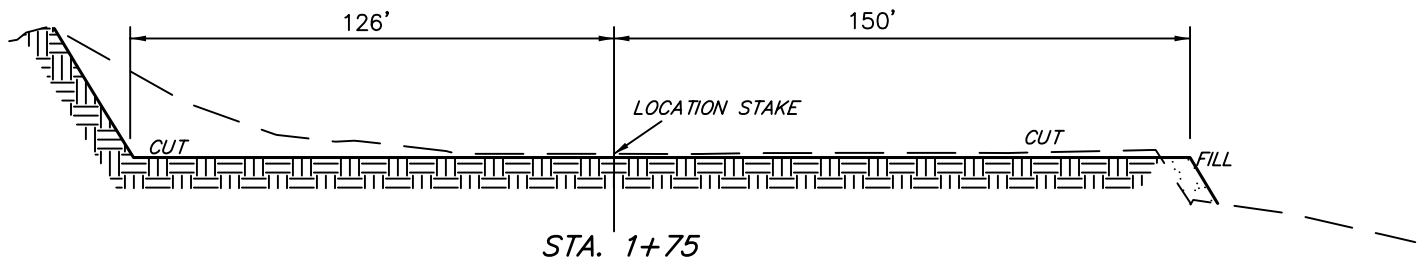
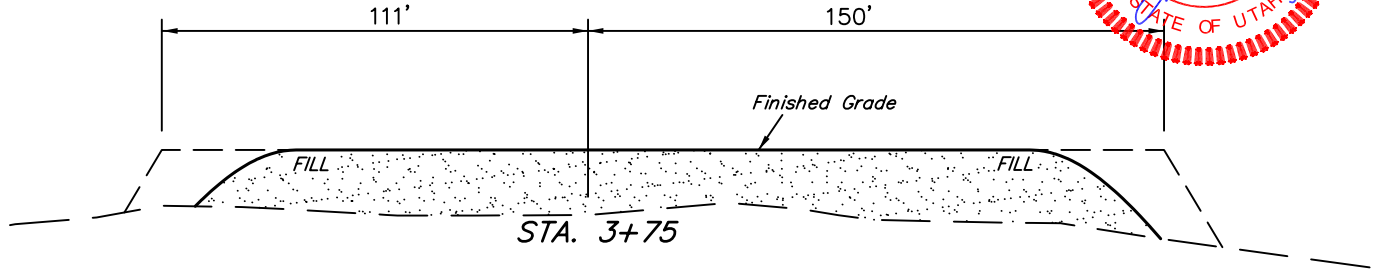
SECTION 32, T9S, R23E, S.L.B.&M.

2192' FSL 2061' FEL

FIGURE #2



DATE: 02-23-09
Drawn By: E.M.



APPROXIMATE ACREAGES

PROPOSED WELL SITE DISTURBANCE = ±1.999 ACRES
EXISTING WELL SITE DISTURBANCE = ±1.298 ACRES
TOTAL = ±3.297 ACRES

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,050 Cu. Yds.
(New Construction Only)
Remaining Location = 6,800 Cu. Yds.

TOTAL CUT = 7,850 CU.YDS.
FILL = 4,780 CU.YDS.

EXCESS MATERIAL = 3,070 Cu. Yds.
Topsoil & Pit Backfill = 3,070 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

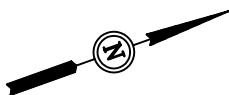
TYPICAL RIG LAYOUT FOR

CWU #4046-32

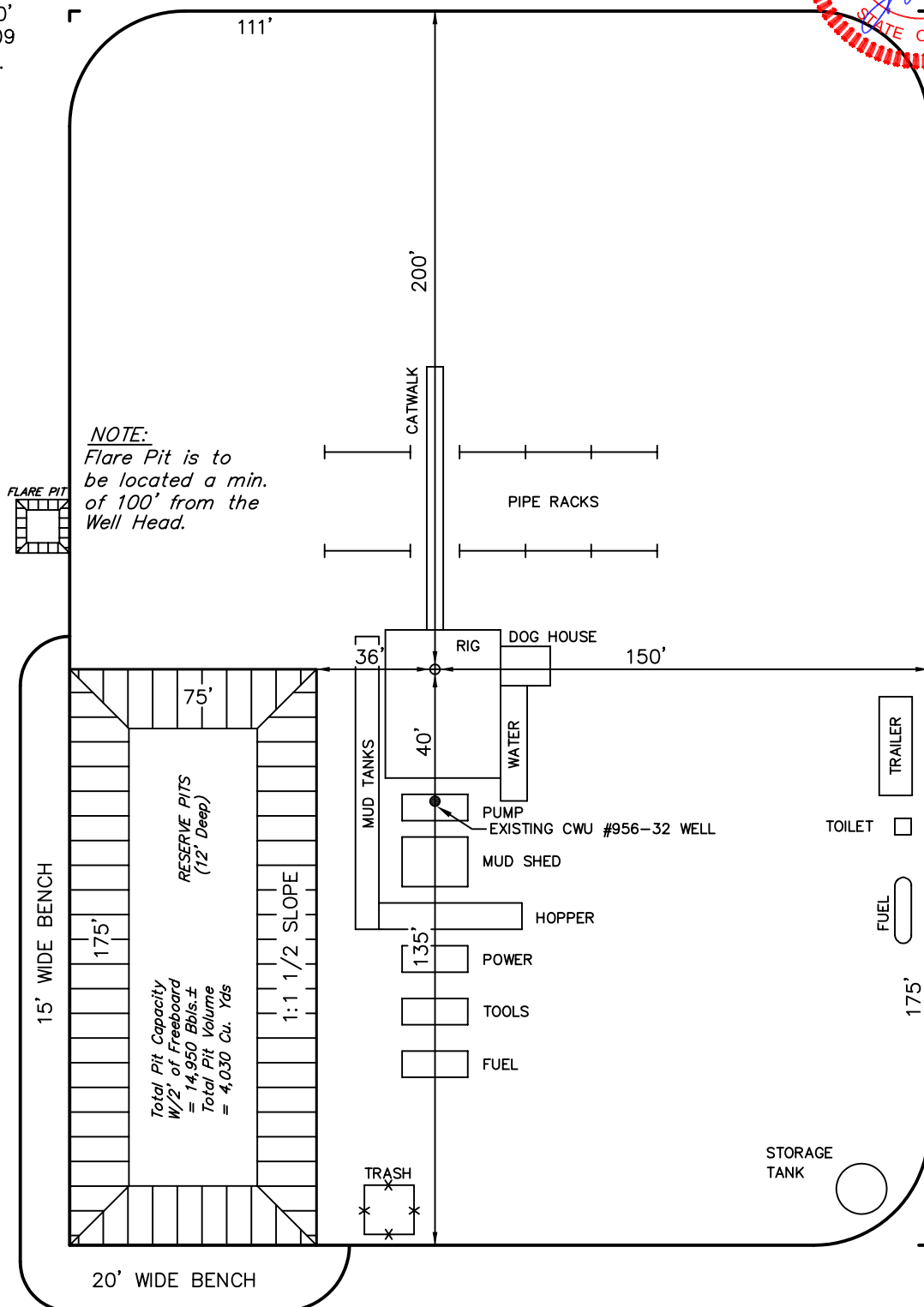
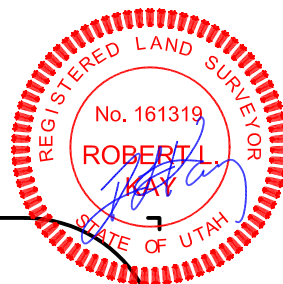
SECTION 32, T9S, R23E, S.L.B.&M.

2192' FSL 2061' FEL

FIGURE #3

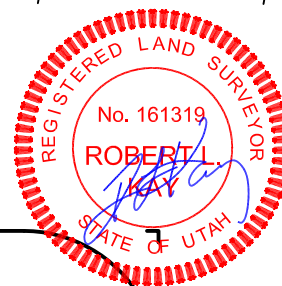


SCALE: 1" = 50'
DATE: 02-23-09
Drawn By: E.M.

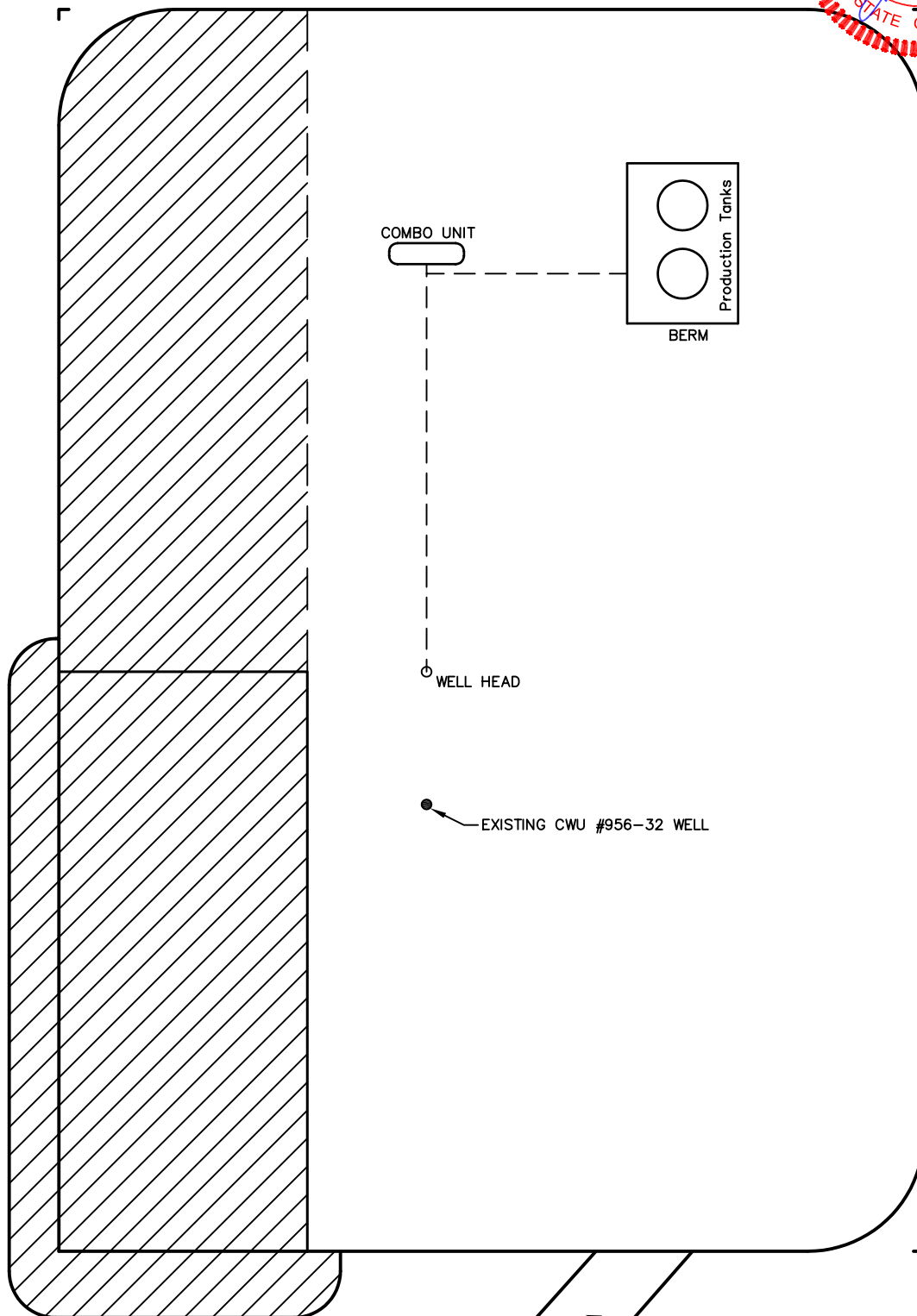



EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
CWU #4046-32
SECTION 32, T9S, R23E, S.L.B.&M.
2192' FSL 2061' FEL

FIGURE #4

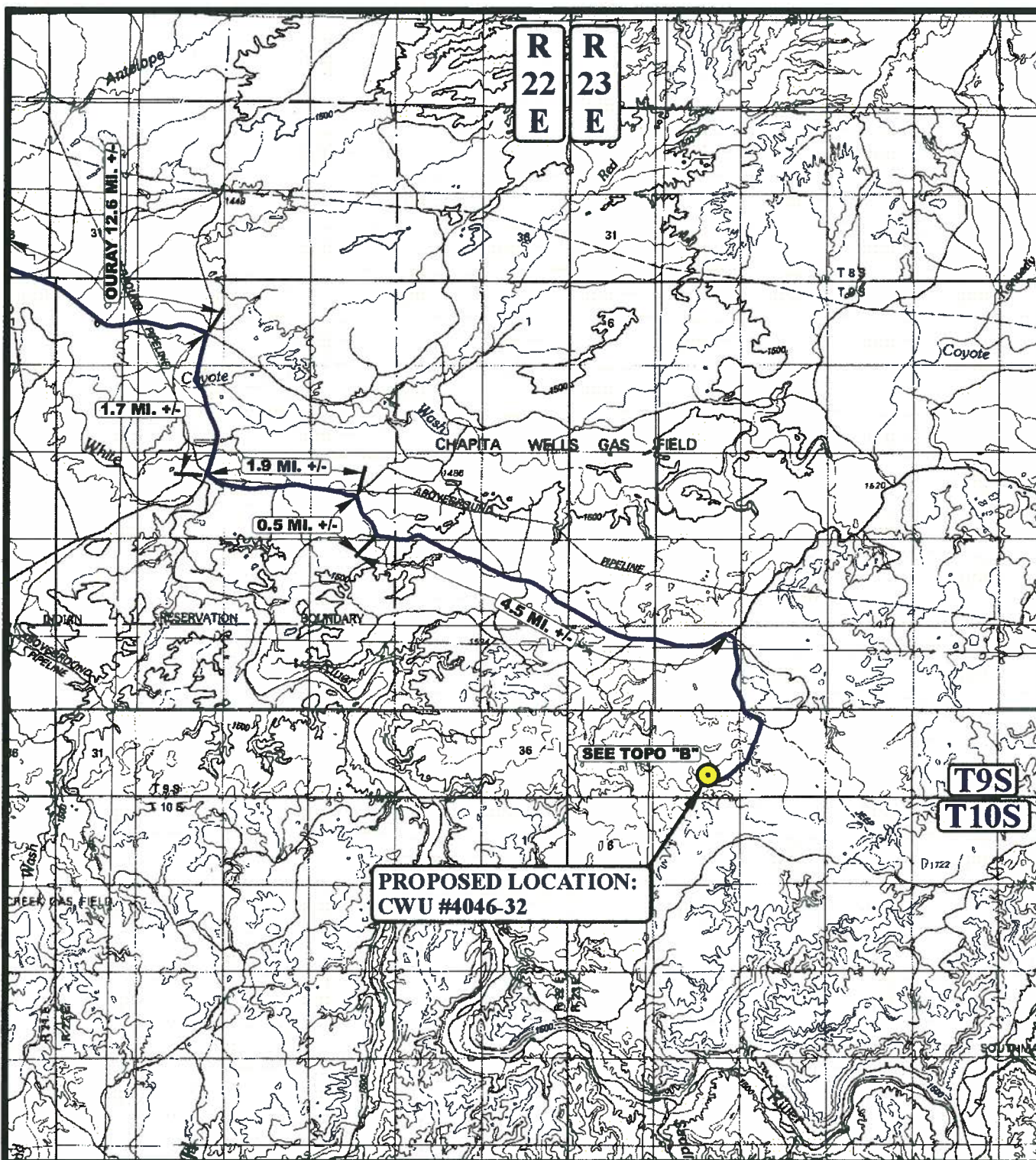


SCALE: 1" = 50'
DATE: 02-23-09
Drawn By: E.M.



 RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

PROPOSED LOCATION



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

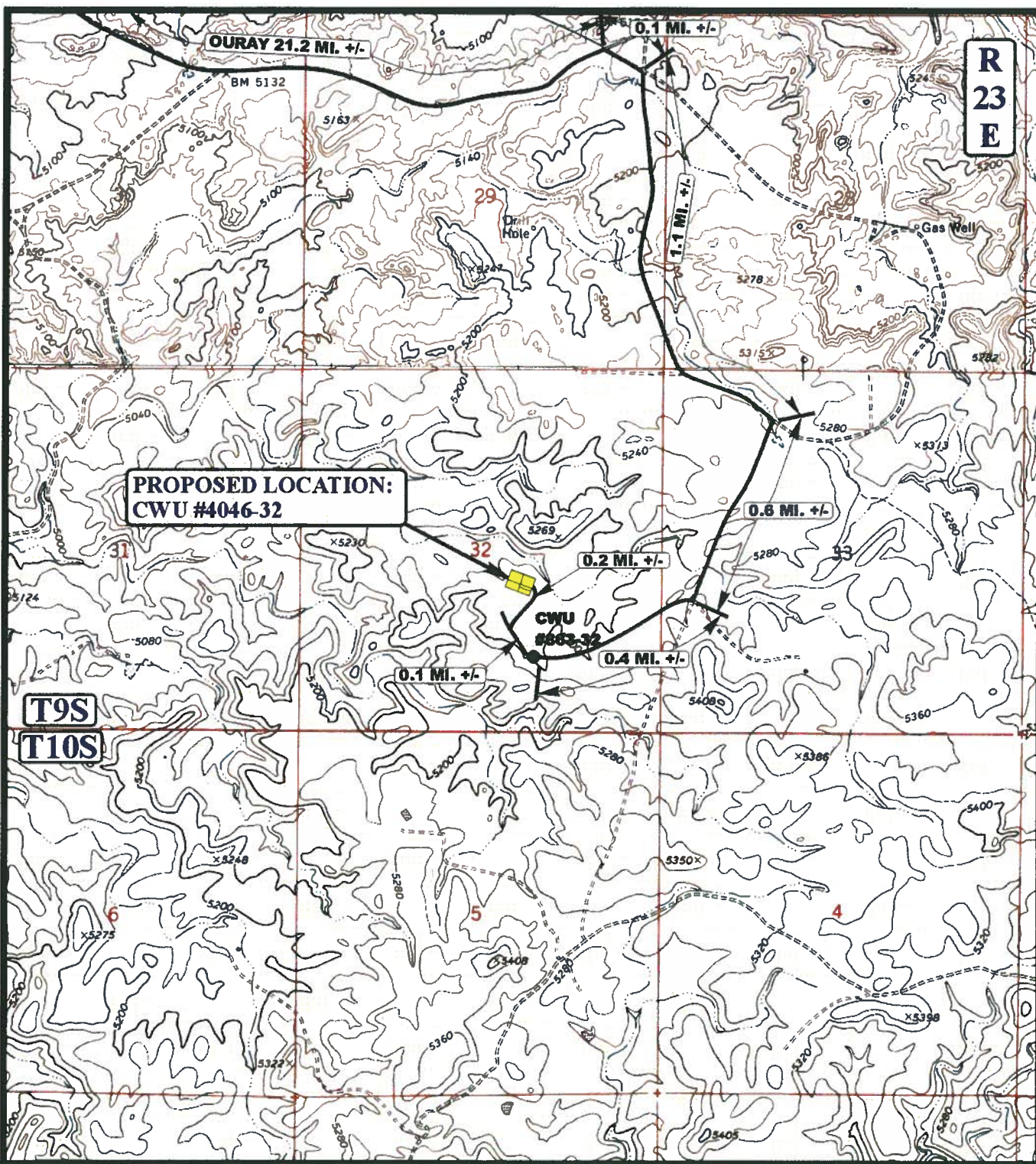
CWU #4046-32
 SECTION 32, T9S, R23E, S.L.B.&M.
 2192' FSL 2061' FEL

TOPOGRAPHIC
 MAP

02 23 09
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.H. REVISED: 00-00-00





LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #4046-32
 SECTION 32, T9S, R23E, S.L.B.&M.
 2192' FSL 2061' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

02 **23** **09**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00

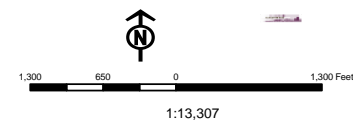
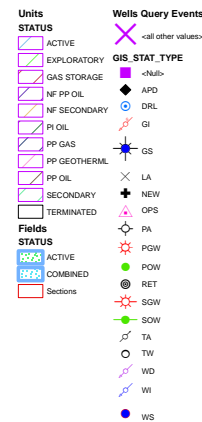


EOG RESOURCES, INC.
CWU #4046-32
SECTION 32, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE CWU #863-32 AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.7 MILES.

Map Produced by Diana Mason



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 11, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2009 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch)

43-047-50725	CWU 778-32	Sec 32 T09S R23E 1844 FNL 1893 FWL
43-047-50726	CWU 4046-32	Sec 32 T09S R23E 2192 FSL 2061 FEL
43-047-50728	CWU 4048-32	Sec 32 T09S R23E 0743 FSL 2149 FWL
43-047-50727	CWU 4047-32	Sec 32 T09S R23E 2154 FSL 0549 FWL
43-047-50729	CWU 4049-32	Sec 32 T09S R23E 0854 FSL 0859 FEL

(Proposed PZ MESA VERDE)

43-047-50730	CWU 1453-29	Sec 29 T09S R23E 0050 FNL 2630 FEL
43-047-50716	CWU 1216-11	Sec 11 T09S R22E 1800 FNL 0850 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-11-09

Well Name	EOG Resources, Inc. CWU 4046-32 43047507260000			
String	Surf	Prod		
Casing Size(in)	9.625	4.500		
Setting Depth (TVD)	2300	6590		
Previous Shoe Setting Depth (TVD)	0	2300		
Max Mud Weight (ppg)	8.4	10.5		
BOPE Proposed (psi)	1000	5000		
Casing Internal Yield (psi)	3520	7780		
Operators Max Anticipated Pressure (psi)	3598	10.5		

Calculations	Surf String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	1005	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	729	YES rotating head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	499	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	499	NO Reasonable depth for area, no expected pressure
Required Casing/BOPE Test Pressure=		2300	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

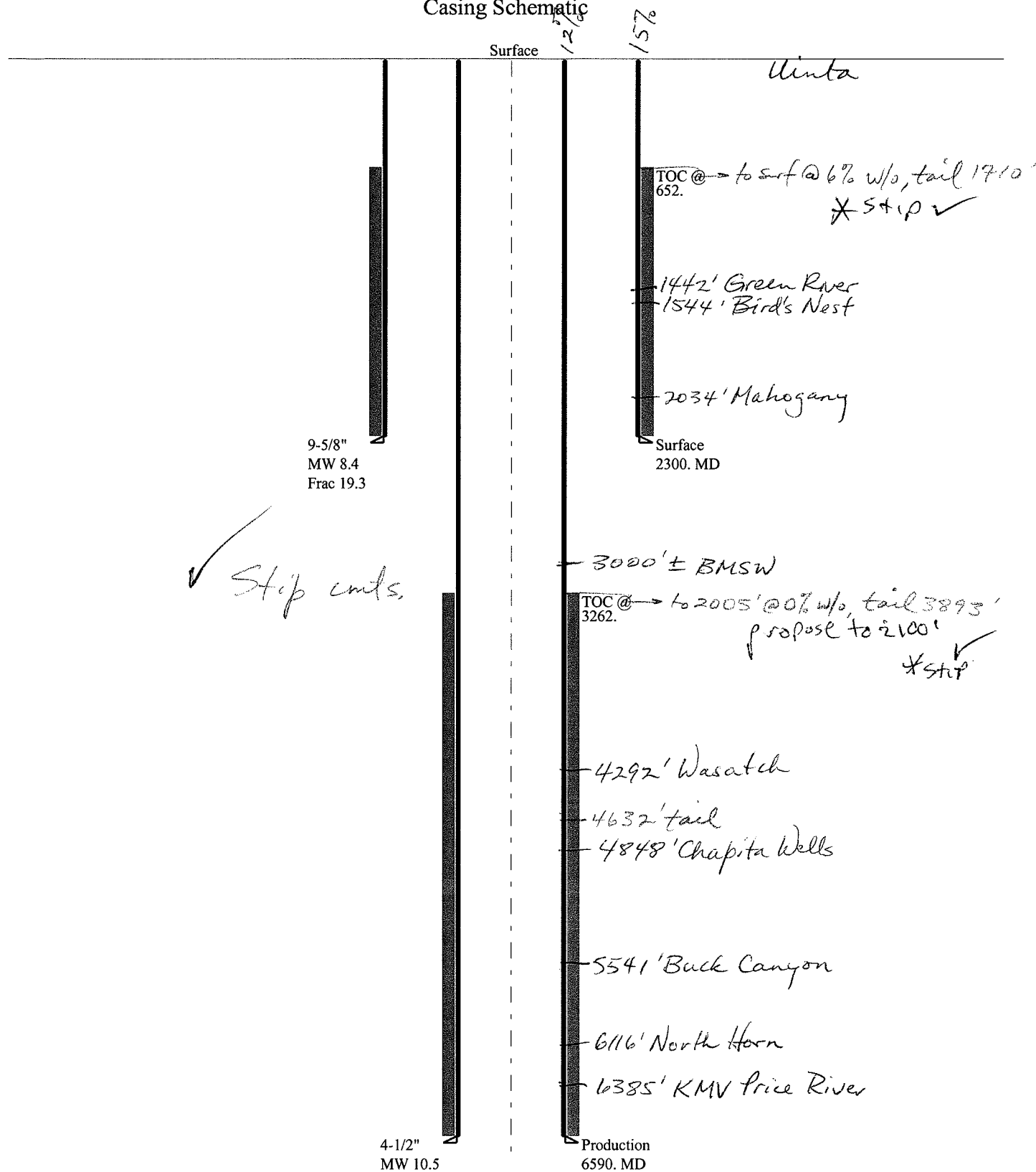
Calculations	Prod String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	3598	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2807	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	2148	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	2654	NO OK
Required Casing/BOPE Test Pressure=		5000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		2300	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43047507260000 CWU 4046-32

Casing Schematic



Well name:	43047507260000 CWU 4046-32		
Operator:	EOG Resources, Inc.		
String type:	Surface	Project ID:	43-047-50726
Location:	UINTAH	COUNTY	

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 106 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 652 ft

Burst

Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,014 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,590 ft
Next mud weight: 10.500 ppg
Next setting BHP: 3,595 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	19991

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	82.8	394	4.76 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: September 30, 2009
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43047507260000 CWU 4046-32		
Operator:	EOG Resources, Inc.		
String type:	Production	Project ID:	43-047-50726
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 166 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 3,262 ft

Burst

Max anticipated surface pressure: 2,145 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,595 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on air weight.
Neutral point: 5,556 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6590	4.5	11.60	N-80	LT&C	6590	6590	3.875	27140

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	3595	6350	1.767	3595	7780	2.16	76.4	223	2.92 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: September 30, 2009
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6590 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Jim Davis
To: Bonner, Ed; Mason, Diana
CC: Garrison, LaVonne; kaylene gardner
Date: 3/11/2010 5:06 PM
Subject: EOG approvals (4)

The following APDs have been approved by SITLA including arch and paleo clearance.

CWU 4046-32 (4304750726)
CWU 4047-32 (4304750727)
CWU 4048-32 (4304750728)
CWU 4049-32 (4304750729)

Thanks.
-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	EOG RESOURCES, INC.				
Well Name	CWU 4046-32				
API Number	43047507260000	APD No	1997	Field/Unit	NATURAL BUTTES
Location: 1/4,1/4	NWSE	Sec	32	Tw	9.0S
GPS Coord (UTM)		Rng	23.0E	2192	FSL 2061 FEL
		Surface Owner			

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Kaylene Gardner, Robert Wilkins and David Braithwaite (EOG).

Regional/Local Setting & Topography

The proposed CWU 4046-32 gas well is a vertical well to be drilled to a different formation from the pad of the existing CWU 956-32 existing gas well. The pad will be extended about 20 feet to the west between corners 6 thru 8 as needed onto gentle terrain. Interim reclamation has been completed on portions of the location. Some of this area will be re-disturbed. A diversion ditch needs to be re-established on the south portion as needed following reclamation. At EOG's preference, the well will be drilled using a closed loop mud circulation system. A small bermed containment will be constructed in the area shown for the reserve pit to hold the cuttings until after the drilling is completed. The bottom of the containment will be lined with bentonite. Mr. Jim Davis of SITLA gave approval to spread the dried cuttings on the location and approach road.

A field review of the existing pad showed no concerns from the previous drilling operation and as it now exists and should be suitable for drilling and operating the proposed additional well.

SITLA owns both the surface and the minerals.

Surface Use Plan

Current Surface Use
Existing Well Pad

New Road Miles	Well Pad	Src Const Material	Surface Formation
0	Width 261 Length 335	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands

Flora / Fauna
Existing Well Pad

Soil Type and Characteristics

Erosion Issues

Sedimentation Issues

Site Stability Issues

Drainage Diversion Required?

Berm Required?

Erosion Sedimentation Control Required?

Paleo Survey Run?

Paleo Potential Observed?

Cultural Survey Run?

Cultural Resources?

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)

Distance to Surface Water (feet)

Dist. Nearest Municipal Well (ft)

Distance to Other Wells (feet)

Native Soil Type

Fluid Type

Drill Cuttings

Annual Precipitation (inches)

Affected Populations

Presence Nearby Utility Conduits

Final Score

Sensitivity Level

Characteristics / Requirements

. At EOG's preference, the well will be drilled using a closed loop mud circulation system. A small bermed containment will be constructed in the area shown for the reserve pit to hold the cuttings until after the drilling is completed. The bottom of the containment will be lined with bentonite

Closed Loop Mud Required? Y

Liner Required?

Liner Thickness

Pit Underlayment Required?

Other Observations / Comments

Floyd Bartlett

Evaluator

9/14/2009

Date / Time

Application for Permit to Drill Statement of Basis

3/15/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
1997	43047507260000	LOCKED	GW	S	No
Operator	EOG RESOURCES, INC.		Surface Owner-APD		
Well Name	CWU 4046-32		Unit	CHAPITA WELLS	
Field	NATURAL BUTTES		Type of Work	DRILL	
Location	NWSE 32 9S 23E S 2192 FSL 2061 FEL GPS Coord (UTM) 641040E 4427892N				

Geologic Statement of Basis

EOG proposes to set 2,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,000'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 32 . The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and is not expected to produce prolific aquifers. The production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

9/28/2009
Date / Time

Surface Statement of Basis

The proposed CWU 4046-32 gas well is a vertical well to be drilled to a different formation from the pad of the existing CWU 956-32 existing gas well. The pad will be extended about 20 feet to the west between corners 6 thru 8 as needed onto gentle terrain. Interim reclamation has been completed on portions of the location. Some of this area will be re-disturbed. A diversion ditch needs to be re-established on the south portion as needed following reclamation. At EOG's preference, the well will be drilled using a closed loop mud circulation system. A small bermed containment will be constructed in the area shown for the reserve pit to hold the cuttings until after the drilling is completed. The bottom of the containment will be lined with bentonite. Mr. Jim Davis of SITLA gave approval to spread the dried cuttings on the location and approach road.

A field review of the existing pad showed no concerns from the previous drilling operation and as it now exists and should be suitable for drilling and operating the proposed additional well.

SITLA owns both the surface and the minerals. Mr. Jim Davis attended the pre-site evaluation and had no concerns regarding the proposed extension and re-disturbance for the pad. SITLA is to be contacted for site reclamation and re-vegetation standards.

Utah Division of Wildlife Resources was invited to the pre-site evaluation but did not attend.

Floyd Bartlett
Onsite Evaluator

9/14/2009
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A closed loop mud circulation system is required for this location.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/4/2009

API NO. ASSIGNED: 43047507260000

WELL NAME: CWU 4046-32

OPERATOR: EOG Resources, Inc. (N9550)

PHONE NUMBER: 435 781-9111

CONTACT: Kaylene Gardner

PROPOSED LOCATION: NWSE 32 090S 230E

Permit Tech Review: ☒

SURFACE: 2192 FSL 2061 FEL

Engineering Review: ☒

BOTTOM: 2192 FSL 2061 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.99133

LONGITUDE: -109.34799

UTM SURF EASTINGS: 641040.00

NORTHINGS: 4427892.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ML3355

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** STATE/FEE - 6196017

☐ **Potash**

☐ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** 49-225

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☐ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

☐ **R649-2-3.**

Unit: CHAPITA WELLS

☐ **R649-3-2. General**

☐ **R649-3-3. Exception**

☒ **Drilling Unit**

Board Cause No: Cause 179-8

Effective Date: 8/10/1999

Siting: Suspends General Siting

☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
25 - Surface Casing - hmacdonald



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Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: CWU 4046-32
API Well Number: 43047507260000
Lease Number: ML3355
Surface Owner: STATE
Approval Date: 3/16/2010

Issued to:

EOG Resources, Inc., 1060 East Highway 40, Vernal, UT 84078

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 179-8. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2100' MD as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

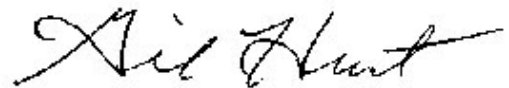
- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML3355
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: EOG Resources, Inc.		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078		8. WELL NAME and NUMBER: CWU 4046-32
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2192 FSL 2061 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 23.0E Meridian: S		9. API NUMBER: 43047507260000
PHONE NUMBER: 435 781-9111 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/24/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 03/01/2011

By:

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A		DATE 2/24/2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507260000

API: 43047507260000

Well Name: CWU 4046-32

Location: 2192 FSL 2061 FEL QTR NWSE SEC 32 TWP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 3/16/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Michelle Robles

Date: 2/24/2011

Title: Regulatory Assistant **Representing:** EOG RESOURCES, INC.

RECEIVED Feb. 24, 2011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML3355
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: EOG Resources, Inc.		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202		8. WELL NAME and NUMBER: CWU 4046-32
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2192 FSL 2061 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 23.0E Meridian: S		9. API NUMBER: 43047507260000
PHONE NUMBER: 435 781-9111 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <div style="text-align: center; font-size: 1.2em;">2/7/2012</div> <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION </div> </div>
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> OTHER:
<input type="checkbox"/> DRILLING REPORT Report Date:	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: February 13, 2012

By:

NAME (PLEASE PRINT) Nanette Lupcho	PHONE NUMBER 435 781-9157	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 2/7/2012	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507260000

API: 43047507260000

Well Name: CWU 4046-32

Location: 2192 FSL 2061 FEL QTR NWSE SEC 32 TWNP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 3/16/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Nanette Lupcho

Date: 2/7/2012

Title: Regulatory Assistant **Representing:** EOG RESOURCES, INC.



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

March 21, 2013

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: APD Rescinded – CWU 4046-32, Sec.32, T. 9S, R. 23E,
Uintah County, Utah API No. 43-047-50726

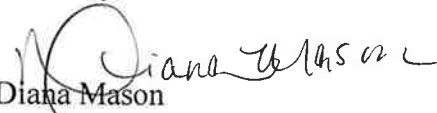
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 16, 2010. On March 1, 2011 and February 13, 2012 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 21, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

